

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 3142 - HB 3671

February 15, 2012

SUMMARY OF BILL: Authorizes a claimant to request that compensation awarded by the Board of Claims (BOC) be commuted to a lump sum payment. Eliminates the requirement that the BOC determine if special needs exist to warrant such lump sum payment, whether a lump sum payment is in the claimant's best interest, and whether the claimant has the ability to wisely manage the lump sum payment. Authorizes any claimant who has already been awarded compensation to file for commutation of any compensation that remains payable, unless the BOC funded an annuity contract on that claimant's behalf.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- No impact on the Risk Management Fund. The bill changes the payment method but does not increase or decrease the amount of compensation the BOC can award.
- According to the Board of Claims, there have been two requests for compensation for wrongful imprisonment. In both cases, the claimant requested and received a partial lump sum, with the remaining balance being used to purchase an annuity contract.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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